



CALIFORNIA STATE BOARD OF EDUCATION

SEPTEMBER 2004 AGENDA

SUBJECT

Instructional Materials Fund – Approve Tentative Encumbrances and Allocations for Fiscal Year 2004-05



Action



Information



Public Hearing

RECOMMENDATION

Approve the Instructional Materials Fund Tentative Encumbrances and Allocations for fiscal year 2004-05, as identified on the State Board of Education (SBE) Resolution (Attachment 2).

SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

This agenda item is annually submitted to and approved by the SBE.

SUMMARY OF KEY ISSUES

In accordance with Article 3, Chapter 2, Part 33, Division 4 of the *Education Code*, the SBE must encumber and allocate funds from the State Instructional Materials Fund which is administered by the California Department of Education. The information attached describes the allocation formulas and requirements and recommends a resolution for the tentative determination of encumbrances and allocations from the Instructional Materials Fund for fiscal year 2004-05.

FISCAL ANALYSIS (AS APPROPRIATE)

SBE approval of the 2004-05 Instructional Materials Fund encumbrances and allocations authorizes the apportionment of \$333,000,000 to local educational agencies (LEAs) for instructional materials in September 2004. This amount represents a 47.6 percent increase from the 2003-04 authorized amount of \$174,450,000 that was allocated to LEAs at a rate of \$27.80 per pupil.

ATTACHMENTS

Attachment 1: Tentative Determination of Encumbrances and Allocations of the State
Instructional Materials Fund for Fiscal Year 2004-05 (2 pages)

Attachment 2: State Board of Education Resolution for Fiscal Year 2004-05 (1 page)

Tentative Determination of Encumbrances and Allocations of the State Instructional Materials Fund for Fiscal Year 2004-05

Annual state funding for the acquisition of instructional materials is provided by an appropriation to the State Instructional Materials Fund. For fiscal year 2004-05, the Budget Act provides \$363 million, of which \$30 million is allocated on a one-time basis for English language learners. The remaining balance of \$333 million will be apportioned based on a per pupil rate of approximately \$52.80 using the October 2003 California Basic Educational System enrollment.

To allocate the instructional materials funds, the following is presented to the State Board of Education (SBE) for consideration and approval:

I. Accessible Instructional Materials - *Education Code* Section 60240(c)(1)

The SBE shall set aside part of the Instructional Materials Fund to pay for the cost of accessible instructional materials (such as braille and large print) to accommodate pupils with visual disabilities pursuant to *Education Code* sections 60312 and 60313. For fiscal year 2004-05, the estimated cost is \$550,000.

II. Reserve to Pay Cost to Replace Materials Lost In Disasters - *Education Code* Section 60240(c)(2)

The SBE may set aside part of the Instructional Materials Fund, in an amount up to \$200,000 each year to pay for the cost of replacing instructional materials that are lost or destroyed by reason of fire, theft, natural disaster, or vandalism. The SBE's current policy is to keep a reserve of \$50,000 in the disaster fund, and limit each school district's claim to a maximum of \$5,000 or a district's insurance deductible amount, whichever is less.

Since there were no claims filed for disaster in fiscal year 2003-04 to draw down on the \$50,000, an augmentation to this fund is not required for fiscal year 2004-05.

III. Warehousing and Transporting Instructional Materials - *Education Code* Section 60240(c)(3)

The SBE may set aside part of the Instructional Materials Fund for the cost of warehousing and transporting instructional materials. A separate appropriation is provided in the 2004-05 fiscal year for this purpose therefore, no allocation is needed under this section.

IV. Establishing a Per Pupil Allowance - *Education Code* Section 60242(a)

The SBE shall encumber the funds for the purpose of establishing an allowance for each school district, county office of education, state special school, and all charter school districts to purchase instructional materials pursuant to *Education Code* sections 60420-60424, the Instructional Materials Funding Realignment Program. The allowance will be apportioned in September 2004 and will represent 100 percent of the total entitlement for each local educational agency.

**State Board of Education Resolution
for Fiscal Year 2004-05**

**Tentative Determination of Encumbrances and Allocations
of the State Instructional Materials Fund**

WHEREAS, *Education Code* sections 60240 and 60242 require the State Board of Education (SBE) to encumber parts of the State Instructional Materials Fund for use in acquiring and distributing instructional materials, therefore, be it

RESOLVED, that the SBE hereby tentatively encumbers the following amounts of the State Instructional Materials Fund for fiscal year 2004-05:

<i>Education Code</i> Section 60240(c)(1)	To pay for the cost of accessible instructional materials	\$550,000
<i>Education Code</i> Section 60242(a)	To establish a base allowance per enrolled pupil of \$52.80 for public schools and state special schools	332,450,000
	TOTAL	\$ 333,000,000